IN THE UNITED STATES BANKRUPTCY COURT FOR THE WESTERN DISTRICT OF TEXAS EL PASO DIVISION

In re \$

ADVANCE TRANSPORTATION \$ Case No. 21-30906-HCM-11 SERVICES INCORPORATED, \$

Debtor. \$

<u>DEBTOR'S EMERGENCY</u> <u>MOTION FOR AUTHORIZATION TO PAY</u> PRE-PETITION PORTION OF EMPLOYEE PAYROLL

TO THE HONORABLE H. CHRISTOPHER MOTT, UNITED STATES BANKRUPTCY JUDGE:

Now comes the Debtor ADVANCE TRANSPORTATION SERVICES INCORPORATED (hereinafter "ATSI") and through its attorney undersigned files this Emergency Motion for Authorization to Pay Pre-Petition Portion of Employee Payroll, and for cause would show:

1.

Petition date in this case is November 30, 2021. ATSI as Debtor-in-Possession remains in business.

2.

ATSI pays its workers (usually 22 of them) at weekly intervals. Each Friday payroll covers the previous week's work. The next payday is December 3, 2021 for the days worked November 22-26. The following week's payroll will include two pre-petition days, November 29 and November 30, 2021.

3.

An average payroll costs approximately \$15,000.00 including payroll taxes. The total pre-petition payroll that will need to be made, is approximately \$21,000.00.

4.

The Debtor needs to retain its employees. If they are not paid in the regular course they are likely to quit and go to work elsewhere, and that would cause a damaging loss of revenue for the estate.

5.

The Debtor has unencumbered assets—at least \$35,000 in the form of unencumbered accounts receivable—sufficient to cover the cost of the pre-petition days of payroll. At this time there are no other administrative claims that are likely to interfere with that capability. The Debtor expects to have to make adequate protection payments to its cash-collateralized creditors, of less than \$2,000.00 per month. In a liquidation setting, which is not anticipated, there would be enough equity in the accounts receivable (over \$35,000) to cover the priority claims of the workers.

WHEREFORE, PREMISES CONSIDERED, ATSI prays for authorization to cover its pre-petition payroll as described above.

Respectfully submitted this 36 day of November, 2021.

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CERTIFICATE OF SERVICE

I do hereby certify that on the day of November, 2021, I did cause a copy of the foregoing Emergency Motion for Authorization to Pay Pre-Petition Potion of Employee Payroll to be mailed or delivered to <u>U.S. Trustee</u>, P.O. Box 1539, San Antonio, TX 78205-1539; to the <u>Subchapter V Trustee</u>, c/o Brad W. Odell, 1500 Broadway, Suite 700 Lubbock, Texas 79401; to <u>Advance Transportation Services</u>, c/o Abraham J. Wardy, 12308 Red Sun Dr., El Paso, TX 79938; and to all parties in interest as shown on the attached list.

E.P. BUD KIRK

4981-AE-113021

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